

PROPOSAL FOR AN AFSC PROGRAM TO PROMOTE EXPANSION OF THE ECONOMIC FUNCTIONS OF THE U.N. AS AN ALTERNATIVE TO "AMERICAN IMPERIALISM"

John Atlee, Nov. 9, 1970

Today two facts are evident to almost everyone:

- 1) The UN, if it is not to die of impotent frustration like the League of Nations, must soon be given new life.
- 2) "American Imperialism" has in the last few years become a primary target of criticism and violent opposition both by other countries and within the U.S. itself.

There is an approach which could contribute much to the solution of both these problems, but which has received very little attention since the earliest days of the UN: allowing the UN itself to take over the legitimate international economic functions which are now performed by "American imperialism".

"American imperialism" refers to four things:

- 1) Foreign investment by U.S. business firms for:
  - producing raw materials
  - manufacturing abroad for sale abroad (to a large extent to get over trade barriers)
  - foreign sale of goods made in the U.S. or locally produced by foreign firms (e.g. Sears Roebuck in Mexico)
- 2) Export sales of U.S. manufactures and raw materials (including government sales of military equipment).
- 3) Indirect control of foreign sources of vital raw materials.
- 4) The network of U.S. military bases and client governments around the world maintained to protect and expand these investments, markets and raw material supplies.

In terms of simple dollar amount, foreign investment and foreign trade are not of crucial importance to the huge American economy. Even in terms of individual corporate profits they are not all that important, and the special interests of the international corporations would probably soon be put in their proper place in relationship to the military costs of defending them if it were not so easy for these corporations to "wrap themselves in the flag" of national interest.

For it is quite true that there are many materials vital to the American economy which are not available in adequate quantities within the U.S., and which we "cannot afford" to have controlled by any rival imperial power. Furthermore, it is "necessary" to maintain adequate markets abroad in order to earn the foreign exchange to pay for needed imports -- and the military cost of defending them.

The non-economic aspects of imperialism grow out of the fact that control over foreign economic resources can only be assured -- in military strategic terms -- by overseas military bases and control of client governments. Thus, so long as the system of rival national imperialisms controls international economic and political relationships -- as long as the concept of a "power vacuum" has real political significance -- it remains in America's "national interest" to be "top dog", and it is unrealistic to ask the U.S. to "be a good boy" and not be so imperialistic.

Moreover, it is one of the great tragedies of the past 25 years that the Soviet Union, whose basic Communist ideology is so antagonistic to the institution of national imperialism, has found itself forced into much this same framework and is now attempting to replace American power in the Middle East, where Russia herself has no real national interest, either economic or political, merely to push American power further from her shores and to gain leverage for countering other extensions of American power.

The need for "world government" -- For many years, thoughtful and impartial students of the problem have been forced to the conclusion that real international peace can be achieved only when some super-national political authority is established with political and military power greater than any individual state -- just as peace between the American colonies was assured (temporarily!) by establishment of the federal union.

However, it is unlikely that national states will submit their own national power to such a super-national government until they can be assured that their own legitimate national interests will be preserved under it.

To help prepare the groundwork for such a "world government" it has seemed to many thoughtful people ever since 1945 that the most fruitful approach would be an attempt to eliminate the economic roots of rival national imperialism by transferring to the UN itself control over the various economic resources and relationships which are the primary focus of such rivalry, so that they would become, in effect, international "public utilities" with equal and fair access by all nations.

#### Functions of U.N. International Economic Authority --

1) International waterways. -- The UN should control and administer all canals and other restricted waterways which are primarily international in their use and significance -- e.g. Suez, Panama, Dardanelles, St. Lawrence Seaway, etc.

2) Oil. -- The UN should operate all oil fields whose output goes primarily into export trade and where the nation whose land they are under needs foreign financial or technical help to develop them. The UN should itself (or other agencies under contract directly to the UN) carry out any exploration and development which cannot adequately be undertaken by the "host" government or its own (genuinely national) business enterprises.

The UN should operate all oil refineries which process crude oil primarily for export and which are established with the aid of foreign financial or technical assistance.

The UN should own and operate all oil tankers carrying oil in international trade.

In the beginning the UN could contract with private international companies to actually carry out these activities, but the UN itself should retain clear overall administrative control.

The initial capital for such enterprises could come from UN bond issues. Later current operating profits would yield adequate capital for further investment -- and enough more for sizeable contributions to UN development loans to underdeveloped countries and even for UN operating expenses.

3) Other mineral resources. Other "mined" materials now developed primarily by the international mining companies should be taken over by the UN in much the same way as oil.

4) Off-shore fisheries. -- Because of the international conflicts which they give rise to, and the need for truly international conservation programs, the UN should administer all off-shore fisheries, licensing the fishing boats of all nationals on an equal basis.

5) Sea-bed resources. -- The UN has already passed a resolution stating that "The riches of the sea bed are the property of all mankind." The only way to give real meaning to this concept and prevent potentially disastrous imperial rivalry for these resources is for the UN itself to have exclusive control of all undersea minerals and license exploration and mining to all nations on an equal basis. For economic reasons, this would probably mean that the UN itself would have to undertake the exploration aspect.

6) To make any sort of UN ocean-licensing effective, the UN would have to have its own "navy" for surveys and inspection.

7) Development funds from UN profits. Judging from the profits of the international oil companies, UN entrepreneurship in these fields should generate enough funds to provide considerable development aid to the underdeveloped countries. If desired, this financial aid could be used to provide leverage in solving such political problems as that of the Palestinian refugees, as U.S. economic aid is also often granted with political conditions, and as the U.S. Federal government makes certain aid to states and cities conditional on following certain approved policies (e.g. on civil rights).

The Problems. -- Getting Russia, China, the U.S. and the underdeveloped countries to agree to such a program would of course not be easy. Moreover, there would be very large problems in making it work effectively even after there is political agreement on it. For example:

- keeping the UN administration innovative and non-bureaucratic, incorruptable and insulated from special-interest pressures.
- guidelines for future exploration and development.
- compensation (amount and form) to present producing countries and companies.
- ensuing commercial relations between the UN authority and the big international companies.
- ensuing relations between the UN authority and the undemocratic regimes which now control most of the relevant producing countries. (including guidelines for relationships with any revolutionary regimes).

The potential value. -- The potential contribution of such a move to world peace is so enormous that it will undoubtedly prevail eventually -- the only question: will it be soon enough to prevent the impending tragedy!

It may be useful to do a bit of "monday-morning quarterbacking". If the UN itself had had sufficient development funds to help finance Egypt's Aswan dam, there might have been no reason for unilateral Soviet penetration of Egypt. If the Suez canal had been under UN control, Egypt could not have nationalized it and there would have been no 1956 invasion of Egypt-- which so exacerbated tensions between Egypt and Israel. If the canal had been

under UN control, Israel would not have been excluded from its use and would not have had to develop Elath as an alternative port -- and the 1967 war might never have been launched! If the Dardanelles had been put under UN control in 1945, Russia might have felt no need to establish her power (and bases) in the Mediterranean, there might have been no "Truman Doctrine" and no NATO!

Does it make sense for the US and other Western imperial powers to wait until the underdeveloped countries expropriate the international oil interests on their soil -- and then have the choice between military intervention and seeing Russia or China "fill the vacuum" with no one any better off and merely new sources of tinder to set off World War III?

The U.S. still has predominant power in the world. But we are only 6% of the world's population, and the ideology of democracy has become a basic goal of the whole world. Our present dominance clearly cannot last forever; in fact, we can see it eroding year by year. This it is clearly in our own selfish national interest to use our present power to establish the kind of international order which provides a peace of justice rather than a peace of terror. It is in our power today to establish the institutions and rules of international relations which will protect our interests when we can no longer force our will on others.

There are some who believe that the SALT talks provide an effective basis for establishing more peaceful international relations. But it can be argued that a more effective place to begin is with the substance of national interests, rather than the means presently used to protect those interests. A UN Economic Authority would fill this prescription.

The political process of reaching agreement on such a program among all interested parties would undoubtedly provide a very useful basis for further strengthening the UN, because it would provide:

- a) a major and very useful test of the various countries' real commitment to the UN and desire for substantive international peace.
- b) an exemplary basis for international agreement on many other issues, by setting guides for compromise.
- c) impetus to make the UN itself more democratic, with more appropriate means for its control.

Relevance to AFSC: This project could contribute to, and draw on, the work of many other AFSC programs: International affairs seminars, USSR-USA reciprocal seminars, international conferences and seminars in underdeveloped countries affected by American Imperialism or needing UN aid, Quaker UN office, NARMIC, Mid-East program, community peace education, peace internes, Rights of Conscience program (permission for CO's to do research for it), peace caravans.

Such a program would provide a useful link between AFSC international conferences and parallel efforts by others -- such as Cyrus Eaton's Pugwash conferences.

To do an adequate job of promoting such a role for the UN, AFSC needs real expertise -- and there is probably no such expertise available anywhere. Therefore, it would seem to make sense for AFSC to set up a fund to finance several professorial "chairs" in such studies at a university, and a program for training young men in this field, to be ready to take over administrative responsibilities when the program becomes politically feasible.